

Ken May, General Manager

597 South SR 24 Salina, UT 84654 (435) 286-4400 - Office (435) 286-4499- Fax

July 12, 2010

Permit Supervisor Utah Coal Regulatory Program Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 P. O. Box 145801 Salt Lake City, Utah 84114-5801

Dear Mr. Haddock:

Sufco Mine (Sufco) has been making progress on completing the revised Reclamation Agreement for the mine. I believe we finally have all the parts completed and can compile the complete package. I have enclosed with this letter completed C1 and C2 forms, two originals of the signed Reclamation Agreement, an unsigned version of Exhibit A (apparently this has already been forwarded to Angela Nance by our Arch Coal Inc. (Arch) corporate personnel and the included copy should be replaced with the previously sent original), a cover sheet for Exhibit B (apparently the original was forwarded to Angela Nance by Arch Risk Management in June), and two originals of Exhibit D signed by Gene DiClaudio. Also included are affidavits of qualifications for Gene DiClaudio that should be included with the others mailed to the Division earlier by Arch.

We appreciate your patience in the matter of putting together this revised Reclamation Agreement for Sufco Mine. I don't believe we had any idea how time-consuming this process would be.

Sincerely

Environmental Coordinator Arch Western Bituminous Group

Enclosures

RECEIVED

1111 1 2 2010

DIV. OF OIL, GAS & MINING

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer					
Permittee: CANYON FUEL COMPANY, LLC					
Mine: SUFCO MINE	Permit Number: C/041/002				
Title: Reclamation Agreement					
Description , Include reason for application and timing required to implement:					
Updated Reclamation Agreement due to approved sediment or	verflow pond increase in disturbed area				
e pautou recommento rigicoment due to approved sediment o	vernow pond mercase in disturbed area.				
Instructions: If you answer yes to any of the first eight (gray) questions,	this application may require Public Notice publication.				
 Yes ⋈ No Does the application include operations outside a present of the Permit Area? Acres: Yes ⋈ No Does the application include operations in hydrological present of the Permit Area? Acres: Yes ⋈ No Does the application include operations in hydrological present of the Permit Area? Acres: Yes ⋈ No Does the application include operations in hydrological present of the Permit Area? Acres: Yes ⋈ No Does the application include operations in hydrological present of the Permit Area? Acres: Yes ⋈ No Does the application include operations in hydrological present of the Permit Area? Acres: 	Order? DO# viously identified Cumulative Hydrologic Impact Area?				
Yes No 5. Does the application result from cancellation, reduction	on or increase of insurance or reclamation bond?				
Yes No 6. Does the application require or include public notice	publication?				
Yes No 7. Does the application require or include ownership, co Yes No 8. Is proposed activity within 100 feet of a public road of	ontrol, right-of-entry, or compliance information?				
Yes No 8. Is proposed activity within 100 feet of a public road of Yes No 9. Is the application submitted as a result of a Violation?	or cemetery or 500 feet of an occupied dweffing?				
Yes No 10. Is the application submitted as a result of other laws of Explain:	or regulations or policies?				
Yes No 11. Does the application affect the surface landowner or of	change the post mining land use?				
Yes No 12. Does the application require or include underground R2P2)					
Yes No 13. Does the application require or include collection and	d reporting of any baseline information?				
Yes No 14. Could the application have any effect on wildlife or v	regetation outside the current disturbed area?				
\subseteq Yes \boxtimes No 15. Does the application require or include soil removal,	storage or placement?				
Yes No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?					
\square Yes \boxtimes No 17. Does the application require or include construction,	modification, or removal of surface facilities?				
Yes No 18. Does the application require or include water monitoring, sediment or drainage control measures?					
Yes No 20. Does the application require or include subsidence co	Yes No 20. Does the application require or include subsidence control or monitoring?				
Yes No 21. Have reclamation costs for bonding been provided?					
Yes No 22. Does the application involve a perennial stream, a stre	eam buffer zone or discharges to a stream?				
Yes No 23. Does the application affect permits issued by other ag	gencies or permits issued to other entities?				
Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include a copy for the Price Field Office) I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information					
and belief in all respects with the laws of Utah in reference to commitments, undertakings, and	d obligations, herein.				
KENNETH E. MAY, MINE MANAGER	Leunst 5 May 7/9/10				
	n Name, Position, Date				
Subscribed and sworn to before me this 9 day of July 2010 NOTARY PUBLIC					
Lustal Richards KRYSTAL RICKENBACH					
Notary P ublic	580808 My Commission Expires				
My commission Expires:, 20}	November 10, 2013				
Attest: State of} } ss:	STATE OF UTAH				
For Office Use Only:	Assigned Tracking Received by Oil, Gas & Mining Number: RECEIVED				
	JUL 1 2 2010				
	DIV. OF OIL, GAS & MINING				
	DIV. OF OIL, GAO &				

Form DOGM- C1 (Revised March 12, 2002)

APPLICATION FOR COAL PERMIT PROCESSING Detailed Schedule Of Changes to the Mining And Reclamation Plan

	ttee: CANYO			
Mine:			Permit	Number: <u>C/041/002</u>
Title:	Reclamation	Agreement		
applica of cont	tion. Individually ents, section of th	list all maps a e plan, or other	to the Mining and Reclamation Plan, which is required as and drawings that are added, replaced, or removed from the information as needed to specifically locate, identify and an and drawing number as part of the description.	plan. Include changes to the table
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				JUL 1 2 2010
				DIV. OF OIL, GAS & MINING

Form DOGM - C2 (Revised March 12, 2002)

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer Transfer					
Permittee: CANYON FUEL COMPANY, LLC					
Mine: SUFCO MINE Title: Reclamation Agreement	Permi	t Number: <u>C/041/002</u>			
Description, Include reason for application and timing required to implement:					
Updated Reclamation Agreement due to approved sediment ov	verflow pond incre	ease in disturbed area.			
Instructions: If you answer yes to any of the first eight (gray) questions, to	this application may 1	require Public Notice publication.			
Yes ⋈ No 1. Change in the size of the Permit Area? Acres: Disturbed Area: increase increase decrease. Yes ⋈ No 2. Is the application submitted as a result of a Division Order? DO# Yes ⋈ No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?					
Yes ⋈ No Ones the application include operations in hydrologic 5. Does the application result from cancellation, reduction Yes ⋈ No Ones the application require or include public notice properties of the properties of	on or increase of insurbublication?	rance or reclamation bond?			
Yes No Yes No No Solution Yes No No Solution Yes No No Solution 100 feet of a public road or public road or public road or submitted as a result of a Violation? It is the application submitted as a result of other laws or	r cemetery or 300 fee NOV #	et of an occupied dwelling?			
Explain: Yes No 11. Does the application affect the surface landowner or					
Yes No 13. Does the application require or include collection and 14. Could the application have any effect on wildlife or v 15. Does the application require or include soil removal,	egetation outside the storage or placement	current disturbed area?			
Yes No 16. Does the application require or include vegetation monitoring, removal or revegetation activities? Yes No 17. Does the application require or include construction, modification, or removal of surface facilities? Yes No 18. Does the application require or include water monitoring, sediment or drainage control measures?					
 Yes No Yes					
Yes No 23. Does the application affect permits issued by other ag Please attach four (4) review copies of the application. If the mine is or	-				
(5) copies, thank you. (These numbers include a copy for the Price Field Office)					
I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.					
KENNETH E. MAY, MINE MANAGER Print Name Sign	Name, Position, Date	11/10			
Subscribed and sworn to before me this 9 day of July , 20 10 KRYSTAL RICKENBACH 580808					
Notary Public My commission Expires: Attest: State of	M	y Commission Expires November 10, 2013 STATE OF UTAH			
For Office Use Only:	Assigned Tracking	Received by Oil, Gas & Mining			
	Number:	RECEIVED			
		JUL 1 2 2010			
		DIV. OF OIL, GAS & MINING			

Form DOGM- C1 (Revised March 12, 2002)

APPLICATION FOR COAL PERMIT PROCESSING Detailed Schedule Of Changes to the Mining And Reclamation Plan

Permit	tee: <u>CANYO</u>	N FUEL CO	MPANY, LLC		
Mine:	SUFCO MIN		Perm	nit Number:	C/041/002
Title:	Reclamation A	Agreement			
applicati of conte	on. Individually ats, section of the	list all maps a plan, or other	to the Mining and Reclamation Plan, which is required and drawings that are added, replaced, or removed from tinformation as needed to specifically locate, identify an and drawing number as part of the description.	the plan. Includ	le changes to the table
			DESCRIPTION OF MAP, TEXT, OR MATER	IAL TO BE C	HANGED
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Any othe	er specific or sp and Reclamatio	ecial instruction	on required for insertion of this proposal into the	Received I	by Oil, Gas & Mining
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				DIV. OF OIL	, GAS & MINING

Form DOGM - C2 (Revised March 12, 2002)

State of Utah Department of Natural Resources Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt Lake City, Utah 84114-5801 (801) 538-5340

(Federal)

Contents:

Reclamation Agreement

Exhibit "A"

Bonded Area

Exhibit "B"

Bonding Agreement
Surety Bond

Exhibit "C"
Liability Insurance

Affidavits of Qualification

Power of Attorney

Exhibit "D"
Stipulation to Revise Reclamation Agreement

Page 2 of 6 Reclamation Agreement Federal

Permit Number:

C/041/002

Date Original Permit Issued: May 21, 2007

Effective Date of Agreement: May 24, 2010

Bond Number:

RECLAMATION AGREEMENT

This **RECLAMATION AGREEMENT** (hereafter referred to as "Agreement") is entered into by <u>Canyon Fuel Company</u>, LLC (hereafter referred to as the "Permittee") and the State of Utah, Department of Natural Resources, Division of Oil, Gas and Mining (hereafter referred to as the "Division").

For the purpose of the AGREEMENT the information provided below, shall constitute forms of definition or are for information regarding the Permittee or its operations.

"ACT":

Title 40-10-1, et. seq., Utah Code Annotated (1953, as amended)

"BOND":

A bond in compliance with Utah Administrative Rule

645-301-800, et. seq.

"BOND AMOUNT": \$2,874,000.00

"BONDED AREA": The area covered by the Performance

Bond as provided at R645-301-820.110 of the Utah Administrative Code and any additional areas of subsidence related material damage as identified and required by R645-301-525.550 of the Utah Administrative Code.

"BOND TYPE": Reclamation

Bonding Company: Argonaut Insurance Company

Address: 225 West Washington, 6th Floor

Chicago, IL 60606

Telephone Number: (210) 321-8400

"COMPANY OFFICERS": See Attached

"COOPERATIVE AGREEMENT":

That certain agreement codified at 30 C. F.

R. 944.30

"DISTURBED AREA": This term is defined in Utah Administrative

> Code R645-100-200. The Permittee and the Division contemplate that the Disturbed Area will be as approved and shown in the Permit Application Package, but the Permittee's reclamation obligation and the bond related thereto are governed by applicable law.

"LIABILITY INSURANCE": Public liability insurance policy submitted as part of the permit application and attached as Exhibit "C".

Insurance Company: National Union Fire Insurance Company

Address: 175 Water Street 18th Floor New York, NY 10038

Telephone Number: (212) 770-7000 Policy Number: GL093-61-11

Expiration Date: 7-31-2010

"MINE": Sufco Mine

"OSM": United States Department of the Interior,

Office of Surface Mining Reclamation and Enforcement.

"PERMIT": Utah Mining and Reclamation Permit No. C/041/002

"PERMITTEE": Canyon Fuel Company, LLC, Sufco Mine

Principal Address: 225 North 5th Street Suite 900 Grand Junction, CO 81501

Utah Address: 597 South S.R. 24

Salina, UT 84654

Telephone Numbers: (435) 286-4880

"PERMITTEE'S UTAH REGISTERED AGENT FOR SERVICE OF PROCESS":

"REGULATIONS": The regulations promulgated by the Division and OSM pertaining to coal mining and reclamation activities.

"SMCRA": The Surface Mining Control and

Reclamation Act of 1977, 30 U.S.C. §§ 1201, et. seq.

"SURETY":

The following Exhibits are incorporated within and made a part of this Agreement.

EXHIBITS:

"BONDED AREA"	Exhibit "A"
"BONDING AGREEMENT"	Exhibit "B"
"LIABILITY INSURANCE"	Exhibit "C"

WHEREAS, the Permittee is ready and willing to file the Bond in the amount and in a form acceptable to the Division and to perform all obligations imposed by the Division pursuant to applicable laws under the permit; and

NOW, THEREFORE, the Division and the Permittee agree as follows:

- 1. The provisions of SMCRA, the Act and the Regulations are incorporated by reference herein and hereby made a part of this Agreement. Provisions of the Act or Regulations and Rules shall supersede conflicting provisions of this Agreement.
- 2. The Permittee agrees to comply with all terms and provisions of this Agreement, the Permit (which is based upon the approved Permit Application Package), the Act and the Regulations, including the reclamation of all areas disturbed by surface coal mining and reclamation operations, despite the eventuality that the costs of actual reclamation exceeds the Bond Amount.
- 3. The Permit Application Package includes a legal description of the Bonded Area, including the number of acres approved by the Division to be disturbed by surface mining and reclamation operations during the Permit period. For convenience, a copy of the description of the Bonded Area is attached as Exhibit "A", and is incorporated by reference.
- 4. The Permittee agrees to provide a Bond to the Division in the form and amount acceptable to the Division ensuring the timely performance of the reclamation obligations in the manner and by the standards set forth in this Agreement, the Permit, (which is based upon the Permit Application Package), the Act and the Regulations. The Bond is attached as Exhibit "B" and is incorporated by reference.
- 5. The Permittee agrees to maintain in full force and effect the Liability Insurance policy submitted as part of the Permit application and which is described in the attached Exhibit "C". The Division shall be listed as an additional insured on this policy.
- 6. In the event that the Disturbed Area is increased through expansion of the coal mining and reclamation operations or decreased through partial reclamation, the Division shall adjust the Bond as appropriate in accordance with applicable law. In the event of material damage to the surface lands, or contamination, diminution, or interruption of a protected water supply caused by subsidence from underground coal mining, the Permittee may be required by the Division to increase the bond amount pursuant to the provisions of R645-301-525.550 of the Utah Administrative Code.
- 7. The Permittee does hereby agree to indemnify and hold harmless the State of Utah and the Division, and their respective employees and agents, from any claim, demand, liability, cost, charge, or suit initiated by a third party as a result of the Permittee or Permittee's agents or employees failure to abide by the terms and conditions of the

approved Permit (which is based upon the approved Permit Application Package), and this Agreement. In the event the Cooperative Agreement is terminated, this paragraph will inure to the benefit of OSM with respect to Federal Lands, and otherwise to the benefit of the Division.

- 8. The terms and conditions of this Agreement are non-cancelable until such time as the Permittee has satisfactorily, as determined by the Division, reclaimed the Disturbed Area in accordance with this Agreement, the approved Permit (which is based upon the approved Permit Application Package), the Act, and the Regulations. Notwithstanding the above, the Division may direct, or the Permittee may request and the Division may approve a written modification to this Agreement in accordance with applicable law.
- 9. The Permittee may, at any time, submit a request to the Division to substitute the bonding method. The Division may approve the substitution if the new Bond form meets the requirements of the Act, and the Regulations, but no Bond shall be released until the Division has approved and accepted the replacement Bond.
- 10. This Agreement shall be governed and construed in accordance with the laws of the state of Utah. The Permittee shall be liable for all reasonable costs incurred by the Division to enforce this Agreement.
- 11. Any breach of the provisions of this Agreement, the Act, the Regulations, or the Permit (which is based upon the approved Permit Application Package) may, at the discretion of the Division, result in enforcement actions by the Division which include, but are not limited to, an order to cease coal mining and reclamation operations, revocation of the Permittee's Permit and forfeiture of the Bond.
- 12. In the event of forfeiture of the Bond, the Permittee agrees to be liable for additional costs in excess of the Bond Amount which may be incurred by the Division in order to comply with the Permit (which is based upon the approved Permit Application Package), the Act, and the Regulations. Any excess monies resulting from the forfeiture of the Bond, upon compliance with this Agreement, shall be refunded as directed by the Permittee or, if a dispute arises, as directed by a court of competent jurisdiction by interpleading the funds subject to the dispute.
- 13. No delay on the part of the Division in exercising any right, power, or privilege, under the Permit, the Bonding Agreement (Exhibit "B") and/or this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege thereof preclude other or further exercise of any right, power or privilege. The provisions of this Agreement are severable, and if any provision of this Agreement, or the application of any provision of this Agreement, to any circumstances is held invalid, the application of such provision to other circumstances, and the remainder of this Agreement, shall not be affected thereby.

SO AGREED	this day of	, 20
STATE OF U	ГАН:	
		Director, Division of Oil, Gas and Mining
PERMITTEE	:	
		By: <u>La Caralle</u> Eugene E. DiClaudio
		Title: President Canyon Fuel Company, LLC

company, such Power of Attorney must be filed with this Agreement. If the principal is a corporation, the Agreement shall be executed by its duly authorized

Each signatory below represents that he/she is authorized to execute this Agreement on behalf of the named party. Proof of such authorization is provided on a form acceptable

to the Division and is attached thereto.

officer.

14.

EXHIBIT "A"

Bonded Area Legal Description

(Federal Coal)

Exhibit "A"
Legal Description
Federal
Bond No.

EXHIBIT "A"

Pursuant to R645-301-820.110, the surety bond covers an identified increment of land within the permit area upon which the operator will initiate and conduct coal mining and reclamation operations during the initial term of the permit. This area is identified as:

Map(s) showing the BONDED AREA within the approved PERMIT AREA:

See Attached Plate 5-6

Legal description of BONDED AREA:

Mine Site Facility, Water Tank, South Portals, Spring Collection Field, Pump House, Pipeline, Leachfield

T. 22 S., R. 4 E., SLBM, Utah (Approximately 34.078 acres)

Section 12:

A Portion of the following:

E1/2NW1/4:

SW1/4NW1/4NE1/4;

S1/2;

Waste Rock Disposal Site

T. 22 S., R. 4 E., SLBM, Utah (Approximately 10.986 acres)

Section 18:

A Portion of the following:

NW1/4NE1/4

Portals - 3 East, 4 East, Quitchupah and Link Canyon, Link Canyon Substation No. 1 and No. 2 T. 21 S., R. 5 E., SLBM, Utah (Approximately 3.368 acres)

Section 26:

A Portion of the following: SE1/4SW1/4SW1/4NW1/4;

E1/2NW1/4NW1/4SW1/4; SE1/4NE1/4SW1/4SW1/4:

Section 29:

A Portion of the following:

NW1/4NW1/4SW1/4SE1/4; NE1/4NW1/4SE1/4SW1/4; NE1/4NE1/4SE1/4SW1/4

Section 32:

A Portion of the following:

NE1/4SW1/4SW1/4NE1/4

Total approximately 48.432 Acres

Exhibit "A"
Legal Description
Federal
Bond No.

The above described area shall be modified as necessary to correspond to an increase in the area disturbed as a result of an expansion of coal mining and reclamation operations. The described area may also be decreased as a result of partial reclamation.

IN WITNESS WHEREOF the SURETY has hereunto set its signature and seal this 10th day of June, 2010.

Argonaut Insurance Company SURETY

By: Tara W. Mealer Attorney-in-Fact

Title:

EXHIBIT "B"

Bonding Agreement Surety Bond

(Federal Coal)

EXHIBIT "D"

Stipulation to Revise Reclamation Agreement (Federal)

Exhibit "D"
Stipulation to Revise
Reclamation Agreement
Federal

Mine Name: Sufco Mine Permit Number: C/014/002 Effective Date: May 24, 2010

Bond Number:

COAL STIPULATION TO REVISE RECLAMATION AGREEMENT --00OO00--

This **STIPULATION TO REVISE RECLAMATION AGREEMENT** entered into by and between the **PERMITTEE** and **DIVISION** incorporates the following revisions or changes to the **RECLAMATION AGREEMENT**: (Identify and Describe Revisions below)

The Reclamation Bond is reduced from \$4,439,000.00 to \$2,874,000.00. The effective date of the new bond amount is May 24, 2010.

The area covered by the bond is limited to the updated disturbed area as described in Exhibit "A".

In accordance with this **STIPULATION TO REVISE RECLAMATION AGREEMENT**, the following Exhibits have been replaced by the **PERMITTEE** and are approved by the **DIVISION**.

		Replace the Reclamation Agreement in its entirety.
	X	Replace Exhibit "A"- bonded area.
	X	Rider added to existing Exhibit "B"- bonding agreement
		Replace Exhibit "C"- liability insurance
	The bonding	amount is revised from \$4,439,000.00 to \$2,874,000.00
	The bonding	type is changed from to
	The surface d	isturbance is revised from 46.03 acre to 48.43 acres.
	The expiratio	n date is revised from May 21, 2007 to May 21, 2012.
	The liability i	nsurance carrier is changed from to
from		of insurance coverage for bodily injury and property damage is changed to \$

Exhibit "D"
Stipulation to Revise
Reclamation Agreement
Federal

IN WITNESS WHEREOF, Canyon Fuel Compa hereunto set its signature and seal this day of	•
	Canyon Fuel Company, LLC PERMITTEE By: Eugene E. DiClaudio
	Title: President
ACCEPTED BY THE STATE OF UTAH this _	day of, 20
	Director, Division of Oil, Gas and Mining

NOTE: An Affidavit of Qualification must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power or Attorney of a company, such Power of Attorney must be filed with this Agreement. If the **PERMITTEE** is a corporation, the Agreement shall be executed by its duly authorized officer.

AFFIDAVITS OF QUALIFICATION

Bond Number.

AFFIDAVIT OF QUALIFICATIONS PERMITTEE

I, Eugene E. DiClaudio, being duly sworn under oath, deposes and says that he is the President of Canyon Fuel Company, LLC, the PERMITTEE; and that he is duly authorized to execute and deliver the foregoing obligations; and that said PERMITTEE is authorized to execute the same and has complied in all respects with the laws of Utah in reference to commitments, undertakings and obligations herein,

Eugene E. DiClaudio, President Canyon Fuel Company, LLC

Subscribed and sworn to before me this <u>28⁺⁺⁺</u> day of June, 2010 by Eugene E. DiClaudio, President Canyon Fuel Company, LLC.

Notary Public

My commission expires: November 3, 2010

AFFIDAVIT OF QUALIFICATION PERMITTEE

--00O00--

I, James E. Florczak, being first d	uly sworn under oath, deposes and says that he/she is
the (officer or agent) <u>Vice President and </u>	Treasurer of Canyon Fuel Company, LLC;
and that he/she is duly authorized to execut	te and deliver the foregoing obligations; and that said
PERMITTEE is authorized to execute the s	same and has complied in all respects with the laws of
Utah in reference to commitments, undertal	kings and obligations herein.
Attest: Secretary of the Corporation STATE OF Missouri COUNTY OF St. Louis Subscribed and secretary of the Corporation	(Signed) James E. Florczak–Vice President and Treasurer
Subscribed and sworn to before me this 2 nd	Kristin L. Walker
	Notary Public Kristin L. Walker
My Commission Expires:	KRISTIN L. WALKER Notary Public, Notary Seal State of Missouri St. Charles County
<u>September 23</u> , 20 <u>12</u> .	Commission # 08642544 My Commission Expires September 23, 2012

AFFIDAVIT OF QUALIFICATION SURETY COMPANY --00OO0--

I, Tara W. Mealer, being first duly sworn under oath, deposes and says	that he/she
is the (officer or agent) Attorney-in-Fact of Argonaut Insurance C	Company;
and that he/she is duly authorized to execute and deliver the foregoing obligation	ons; and that said
SURETY COMPANY is authorized to execute the same and has complied in	all respects with the
laws of Utah in reference to becoming sole surety upon bonds, undertakings ar	nd obligations
herein.	
Argonaut Insurance Comp	oany
(Signed)Tara W. Mealer, Surety Company Officer -	Attorney-in-Fact
Subscribed and sworn to before me this 10 th day of June	2010
M. S. S. Public - Sheri M. STATE	Sutton
My Commission Expires: OF TENNESSEE	
September 26, 2012 NOTARY PUBLIC	
Witnessem Que Volmar COUNTINIANT COUNTINIA	
STATE OFTennessee)	
) ss: COUNTY OF Knox)	

Argonaut Insurance Company 225 W. Washington, 6th Floor Chicago, IL 60606

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the Argonaut Insurance Company, a Corporation duly organized and existing under the laws of the State of Illinois and having its principal office in the County of Cook, Illinois does hereby nominate, constitute and appoint:

Joseph R. Poplawski, Elizabeth A. Hartzberg, Tara W. Mealer, Mary Y. Volmar, Deborah S. Hudgins, Sheri M. Sutton

its true and lawful agent and attorney-in-fact, to make, execute, seal and deliver for and on its behalf as surety, and as its act and deed any and all bonds, contracts, agreements of indemnity and other undertakings in suretyship provided, however, that the penal sum of any one such instrument executed hereunder shall not exceed the sum of:

\$15,000.000.00

This Power of Attorney is granted and is signed and sealed under and by the authority of the following Resolution adopted by the Board of Directors of Argonaut Insurance Company:

"RESOLVED, That the President, Senior Vice President, Vice President, Assistant Vice President, Secretary, Treasurer and each of them hereby is authorized to execute powers of attorney, and such authority can be executed by use of facsimile signature, which may be attested or acknowledged by any officer or attorney, of the Company, qualifying the attorney or attorneys named in the given power of attorney, to execute in behalf of, and acknowledge as the act and deed of the Argonaut Insurance Company, all bond undertakings and contracts of suretyship, and to affix the corporate seal thereto."

IN WITNESS WHEREOF, Argonaut Insurance Company has caused its official seal to be hercunto affixed and these presents to be signed by its duly authorized officer on the 15th day of September, 2008.

Argonaut Insurance Company

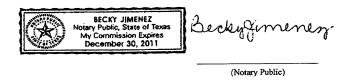
Bv:

Michael E. Arledge President

STATE OF TEXAS
COUNTY OF BEXAR SS:

On this 15th day of September, 2008 A.D., before me, a Notary Public of the State of Texas, in and for the County of Bexar, duly commissioned and qualified, came THE ABOVE OFFICER OF THE COMPANY, to me personally known to be the individual and officer described in, and who executed the preceding instrument, and he acknowledged the execution of same, and being by me duly sworn, deposed and said that he is the officer of the said Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Scal of said Company, and the said Corporate Scal and his signature as officer were duly affixed and subscribed to the said instrument by the authority and direction of the said corporation, and that Resolution adopted by the Board of Directors of said Company, referred to in the preceding instrument is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand, and affixed my Official Seal at the County of Bexar, the day and year first above written.



I, the undersigned Officer of the Argonaut Insurance Company, Illinois Corporation, do hereby certify that the original POWER OF ATTORNEY of which the foregoing is a full, true and correct copy is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand, and affixed the Seal of said Company, on the 10th day of 10th day

Robert F. Thomas Vice President

SECRETARY'S CERTIFICATE

CANYON FUEL COMPANY, LLC

I, Jon S. Ploetz, Secretary of CANYON FUEL COMPANY, LLC, a Delaware limited liability company (the "Company"), hereby certify that the following is a true and complete list of current Officers and Directors of the Company together with their respective starting dates:

DIRECTORS

Eugene E. DiClaudio July 30, 2004
John W. Eaves February 21, 2005
Robert W. Shanks June 1, 1998

OFFICERS

Eugene E. DiClaudio President July 30, 2004 C. David Steele Vice President-Tax May 23, 2003 James E. Florczak Vice President and July 30, 2004 Treasurer David N. Warnecke Vice President April 21, 2005 Jon S. Ploetz Secretary February 15, 2010 Jolene J. Mermis Assistant Secretary July 30, 2004

WITNESS my hand and seal of the Company this 1st day of July, 2010.

Jon S. Ploetz

State of Missouri)
) ss
County of St. Louis)

Sworn and Subscribed to before me this 1st day of July, 2010.

My Commission Expires: May 21, 2011

Jolene Jouett Mermis

JOLENE JOULING SOLD NOTATY Public - Notary Seal Notary Public - Notary Seal State of Missouri Commissioned for St Louis County My Commission Expires: May 21, 2011 Commission Number: 07388586